VZCZCXRO2309
RR RUEHROV
DE RUEHEG #3228/01 3121520
ZNY CCCCC ZZH
R 081520Z NOV 07
FM AMEMBASSY CAIRO
TO RUEHC/SECSTATE WASHDC 7410
INFO RUEHXK/ARAB ISRAELI COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 04 CAIRO 003228

SIPDIS

SIPDIS

NSC FOR SINGH AND WATERS

E.O. 12958: DECL: 11/07/2027

TAGS: PREL PGOV KDEM ECON ENRG PINR EG

SUBJECT: THE NATIONAL DEMOCRATIC PARTY'S GENERAL

CONFERENCE: MUCH ADO ABOUT NOT MUCH

Classified By: Minister-Counselor for Political and Economic Affairs William R. Stewart, for reasons 1.4 (b) and (d).

- 11. (C) Summary: The November 3-6 General Conference of Egypt's ruling party held few surprises, with the main news of the event being a change to the party's mechanism for selecting a presidential candidate: a 45-member committee was formed, from among whose ranks will be chosen the National Democratic Party's (NDP) candidate for Egypt's next presidential elections (currently scheduled for 2011) Presidential son and NDP assistant secretary general Gamal Mubarak is on that key committee, and local speculation has focused on the fact that he is now unquestionably eligible for the presidency. The flip side of the coin is that, with a 45-member committee, the pool of other possible NDP presidential candidates has also widened, leaving the field open to some impressive names as potential competitors. Throughout the four-day conference, NDP leaders consistently emphasized themes of social justice, aiming to burnish their tarnished reputation with Egypt's less fortunate, and highlight the NDP's efforts to alleviate poverty. itself in populist rhetoric, the NDP continues to try to convey grass roots legitimacy and a connection with the Egyptian citizenry. As yet, it is unclear whether such efforts resonate at all with the Egyptian public, which remains deeply skeptical of the government and the ruling party. End summary.
- 12. (C) For four days, 6,700 delegates from across Egypt, selected recently in the NDP's first-time countrywide internal elections, convened at the Cairo Covered Stadium for the NDP's Ninth General Conference (an event held every five years, as contrasted with the annual party conference).

 "O The Country Progresses Through Us," the Under the banner, "Our Country Progresses Through Us, conference was a slickly packaged affair, the main hall strewn with huge banners bearing the conference slogan, massive photos of smiling Egyptians, and during breaks between speeches, slick videos of Egyptian pop-stars singing patriotic songs on three enormous screens at the front of the hall. The agenda featured presentations by NDP leaders on education and human development, national security, youth and sports, employment and investment, agricultural development, citizenship and democracy, and health, to name a few. The NDP invited approximately 50 non-diplomat foreigners to attend the event, including thirty American think-tank analysts, journalists, consultants and academics.

PRESIDENTIAL CANDIDATE SELECTION PROCEDURES CHANGED

13. (U) Despite rumors of possible leadership changes in the lead-up to the conference, the General Secretariat of the NDP was re-confirmed with exactly the same line-up, with Safwat

El Sherif as secretary-general of the party, and Mufeed Shehab, Gamal Mubarak, and Zakaria Azmy as assistant secretary-generals. In a historic occurrence, the party held

SIPDIS

on November 3 its first-ever internal elections for the president of the party. President Hosni Mubarak ran unopposed, and won 5,248 votes, with nine votes against (the nay-sayers remain unidentified). Additionally, several amendments to the party's "basic organization" were approved by the conference, including a decision to hold the General Conference every four years, rather than every five years. (Note: This change means that the NDP's next General Conference will be held in the fall of 2011, coinciding with the next scheduled presidential elections. End note).

14. (C) The major news of the conference was a change to the party's mechanism for selecting a presidential candidate. A 45-member "Higher Committee" of the NDP was formed, from among whose ranks the NDP's candidate for the next presidential elections will be chosen. Article 76 of the Egyptian constitution (which deals with presidential candidacy requirements) was amended in May 2005; one of the changes was a stipulation that any presidential candidate from a political party had to have been a member of that party's "Higher Committee" for at least one year. The NDP, however, had no single "Higher Committee," but rather two leadership bodies - the General Secretariat and the Political Bureau. Senior NDP officials such as Higher Committee member Mohamed Dakroury have been quoted in the Egyptian press as saying that the creation of a single NDP Higher Committee was a "constitutional necessity" in order to "avoid any misunderstandings" about which of the party's two leadership bodies was the highest committee from the party's presidential candidate would come. A list of the 45 members of the General Secretariat is at paragraph 10. In accordance with the Egyptian constitution, any of the members would be

CAIRO 00003228 002 OF 004

eligible to be the NDP's next presidential candidate, provided he or she has served on the committee for at least one year.

WHAT WAS FEATURED, AND WHAT WAS NOT ...

 $\P5.$ (C) Taking a page from the Muslim Brotherhood's playbook, a major focus of the conference was "social justice." In President Mubarak's November 3 speech opening the conference, he underlined that the NDP is committed to "providing an umbrella of social protection to poor and limited income citizens - it is an essential pillar of our general policy." In Gamal Mubarak's speech on the same day, he emphasized the NDP's focus on housing, water, and sewage services for the poor, noting, "The party stresses its commitment to social development, highlighting the principles of social justice Solving the problems average Egyptian families face is our party's top priority. The NDP is working at the local level to benefit poor villages and the families of the hard-working people of Egypt." NDP SYG Sherif also told the delegates that, "the ruling party strongly believes its success in the next few years will depend largely on its ability to relieve citizens of the economic hardships they currently face." Clearly feeling somewhat burned by recent criticisms that Egypt's poor have not yet felt the benefits of the country's economic progress, Gamal and various economic ministers were keen to stress their attention to the country's more needy citizens, with Minister of Finance Youssef Boutros Ghaly telling delegates that the government would be paying "special attention" to them. A 77-page report titled "Services and Social Justice" was circulated to conference delegates, detailing NDP poverty-fighting recommendations such as decentralizing public services (so rural areas are as well-served as urban areas), and assisting rural women. Saieed El Alfy, an NDP Higher Committee member,

told econoff that the biggest outcome of the conference was the NDP's change in rhetoric: "The rhetoric now acknowledges the concerns of the average Egyptian, and admits the existence of many social problems, something that the NDP has not done in the past."

- 16. (SBU) In a November 5 session on energy, NDP leaders and Minister of Electricity Hassan Younes discussed a 15-year "vision" for Egypt's energy needs, including various energy sources such as nuclear, wind, solar, and water energy. Younes detailed plans for Egypt's nuclear power program, noting that a site for a plant has not yet been chosen, but that a study will commence shortly to examine suitable sites. He stressed that Egypt will coordinate carefully with the IAEA and international partners as the project moves ahead. Separately, Gamal Mubarak noted that Egypt plans to build four nuclear power stations by 2022, and that the first station should begin working in 2017 or 2018.
- 17. (C) Egypt's new Anti-Terror Law (currently in draft, but due to be put before parliament for a vote before June 2008), which was expected to be a centerpiece of conference discussions, was barely mentioned during the proceedings. An anticipated presentation by Mufeed Shehab (Minister of State for Legal and Parliamentary Affairs, who heads the inter-agency committee tasked with drafting the law), when he was supposed to present a policy paper which detailed the law's central points, never materialized. The conference also paid scant attention to political reform. A 17-page report on "Citizenship and Democracy" focused on the NDP's plans to introduce legislation to implement the constitutional amendments package passed in March 2007. The noted proposed legislative reforms include eliminating the office of the prosecutor general, establishing a council for judicial authorities (chaired by the president), amending the law regulating elections in professional syndicates, the Anti-Terror law, and changing the law governing local administration. There was little detail on proposed changes. Expected changes to Egypt's electoral system, a focus of the NDP's 2006 party conference, have clearly been put on the back-burner, as evidenced by NDP SYG and other NDP officials telling reporters that, "the next elections of the People's Assembly and Shura Council are in 2010. That in itself is sufficient reason not to fast track any changes in the electoral system.

U.S.-EGYPT RELATIONS

18. (C) During President Mubarak's closing speech to the conference, one of the biggest applause lines was the now-familiar refrain of, "We will not accept any foreign

CAIRO 00003228 003 OF 004

pressure or conditions, and we reject any interference in our internal affairs." Gamal took a conciliatory but sometimes sharp tone with the U.S. When queried about U.S.-Egyptian relations at a November 5 press conference, he noted that, "There is a difference of opinion with the U.S.A.," but that, "there is common ground $\operatorname{and} \bar{\ }\operatorname{there}$ are common issues which we can work on together to serve our bilateral interests We want a new vision for relations with the U.S., that takes these developments into account, with relations based on mutual interests." He noted that relations between the U.S. and Egypt "used to focus on the issue of U.S. aid to Egypt Egypt needs to move from this type of relationship with the U.S. to a relationship that is more about shared interests and economic cooperation." In a small November 5 roundtable-style event for foreign guests at the conference, Gamal was more critical of the U.S., noting, that after September 11, 2001, the U.S., "went into a mode of democracy and elections They came to the single-minded conclusion that this was the way to marginalize extremist forces. That was a strategic mistake. You cannot belittle the feelings of injustice and humiliation caused by Israel's treatment of the Palestinians The U.S. wasted more than six years being absent from the peace process, and ... America's influence has decreased.

COMMENT

19. (C) Notwithstanding continued disavowals regarding Gamal Mubarak's presidential ambitions, the mechanisms continue to be built within the party with that result apparently in mind. Local pundits have focused on the fact that, as a member of the new Higher Committee, Gamal is now unquestionably eligible for the presidency. Arguably, as one of the NDP's assistant secretary-generals, he was also eligible under the previous system, but Egyptian legal experts assert that his eligibility could have been contested, due to the fuzziness as to which of the NDP's two leadership bodies was the higher committee. The flip side of the coin is that, with a 45-member committee, the pool of other possible NDP presidential candidates has also widened, leaving the field open to some impressive names as potential contenders. The conference highlighted the NDP's efforts to build up its infrastructure, and, with internal elections from the lowest levels to the very top, adopt at least the trappings of a democratic political party. Wrapping itself in populist rhetoric, the NDP continues to try to convey grass roots legitimacy and a connection with the Egyptian citizenry. As yet, such efforts resonate little if at all with the Egyptian public writ large, which remains deeply skeptical of the government and the ruling party.

COMPOSITION OF NDP HIGHER COMMITTEE

 $\underline{\texttt{1}} \texttt{10.}$ (U) The NDP's new Higher Committee is composed of 45 members – the 12 members of the Political Bureau and the 34 members of the General Secretariat. As NDP SYG Safwat El Sherif is a member of both the Political Bureau and General Secretariat, the Higher Committee totals 45 members.

SIPDIS

NDP Political Bureau:

- 11. Hosni Mubarak
- 12. Safwat El Sherif (Secretary-General of the NDP and Speaker
- of the Shura Council)
- 13. Ahmed Nazif (Prime Minister)
 14. Fathi Surour (Speaker of the People's Assembly)
- 15. Youssef Waly
- 16. Kamal El Shazly
- ¶7. Amal Othman
- 18. Zainab Radwan
- 19. Dr. Ahmed El Tayeb
- 110. Dr. Farkhonda Hassan
- 111. Dr Tharwat Bassily
- 112. Dr Edward Ghaly El Zahaby

NDP General Secretariat:

- 11. Safwat el-Sherif
- 12. Dr Zakaria Azmi (Assistant Secretary-General of the NDP)
- 13. Moufid Shehab (Assistant Secretary-General of the NDP and Minister of State for Legal and Parliamentary Affairs)
- ¶4. Gamal Mubarak (Assistant Secretary-General of the NDP)
- ¶5. Ahmed Ezz
- 16. Ali Eddin Hilal
- 17. Saieed El Alfy
- 18. Mohamed Kamal

CAIRO 00003228 004 OF 004

- 19. Maged El Sherbiny
- 110. Ahmed Mansy Ayyad
- 11. Mohamed Abdel Halim Ahmed

- ¶12. Aisha Abdel-Hadi (Minister of Manpower and Immigration) 113. Mohamed Haiba 114. Mohamed Hassan El Hefnawy 115. Hossam Badrawy 116. Mohamed Abdel Mohsen Saleh 117. Mohamed Abdellaa 118. Mohamed El Dakroury 119. Youssef Boutros Ghali (Minister of Finance) 120. Mahmoud Mohieddin (Minister of Investment) 121. Anass El Feqi (Minister of Information) 122. Rashid Ahmed Rashid (Minister of Trade and Industry) 123. Nadia Makram Ebeid
- ¶24. Mohamed Ragab Ahmed
- ¶25. Ibrahim Kamel ¶26. Yomn El Hamaqi
- 127. Nabih El Alqami
- 128. Rabeh Basta
- 129. Mohamed Naguib Abou Zaid
- ¶30. Gamil Sefain El Gohary
- 131. Qadry Abou Hussain (Sohag Governorate)
- 132. Khayrat Othman (Qena Governorate)
- 133. Ahmed Abdel Aal (Aswan Governorate)
- Mohmaed Abdel Azim El Hainy (Minya Governorate)

RICCIARDONE